

## **H.R. 1803 – The Veterans Business Center Act of 2009**

### **Section 1. Short Title**

This Act may be cited as the Veterans Business Center Act of 2009.

### **Section 2. Establishment of Veterans Business Center Program**

This section establishes a Veterans Business Center program within the SBA to provide entrepreneurial training and counseling to veterans. Under this program, Centers are required to focus on veterans' entrepreneurial development, counseling of veteran-owned business through one-on-one instruction and classes, and government procurement assistance to veterans. This section established a Director to oversee and implement this program. The Director shall report to the Associate Administrator for Veterans Business Development.

The Administrator shall establish by regulation a process to designate new Veterans Business Centers. This process shall include an explicit period where entities can apply to become a Veterans Business Center, a period where the Administrator reviews such applications, and a period where the Administrator informs the applicants of the outcome of the review. The Administrator shall make publicly available the awards of grants under this section.

Veterans Business Centers may receive an initial grant of \$150,000 per year for no longer than 5 years. After a Veterans Business Center receives five years of initial grants, it may receive a growth funding grant of \$100,000 per year for no longer than 3 years, unless it meets performance benchmarks as established by the Administrator. If such performance benchmarks are met, the Center can reapply for another growth funding grant. The program requires a non-federal match of 50 percent of the federal funds each Center receives and permits a Center to request a hardship waiver from the Administrator from this requirement.

This section requires SBA to give priority to applications that will establish new Veterans Business Centers in geographic areas that are not currently served by an existing Veterans Business Center where the populations of veterans exceeds the national median of such measure; or the populations of veterans from the wars in Iraq and Afghanistan exceed the national median of such measure.

This section also sets forth that the SBA shall be responsible for the development and implementation of an annual training program for the staff and personnel of Veterans Business Centers. This will include educating, supporting, and providing best practices regarding the establishment and on-going operation of such Centers. The SBA shall develop this training program in consultation with Veterans Business Centers, the Interagency Veterans Task Force, and veterans services organizations. The Administrator is authorized to contract with qualified third party vendors as necessary to develop and implement this program.

The program grandfathers Veterans Business Outreach Centers established by the Administrator under the authority in section 8(b)(17) of the Small Business Act and veterans

entrepreneurial training centers that were funded by the National Veterans Business Development Corporation established in Section 33 of the Small Business Act and that remain in operation on date of enactment. Such Centers are fully eligible for grants made available in this program.

There is authorized to carryout this section \$10 million for fiscal year 2010 and \$12 million for fiscal year 2011.

In addition to the core grant funding, this section establishes three supplemental grants programs for specific activities carried out by Veterans Business Centers. This includes an Access to Capital grant program that will be used by Centers to develop specialized programs to assist veteran-owned small businesses in securing capital and repairing damaged credit; provide veteran-owned small businesses informational seminars on securing credit and loans; provide one-on-one counseling to veteran-owned small businesses to improve financial presentations to lenders; and facilitate veteran-owned small businesses access to non-traditional financing sources, as well as traditional lending sources.

This section also establishes a Procurement Assistance grant program, which will provide Centers with funds to work with local agencies to identify contracts that are suitable for veteran-owned small businesses; prepare veteran-owned small businesses to be project ready as subcontractors and smaller primes for contracts made available through the American Recovery and Reinvestment Act through training and business advisement, especially in the construction trades; and provide veteran-owned small businesses technical assistance regarding the federal procurement process, including assisting veteran-owned small businesses comply with federal regulations and bonding requirements.

A Service-Disabled Veterans grant program is also included in this section in which Veterans Business Centers will be provided with funds to develop outreach programs to local and regional service-disabled veterans regarding the benefits of self-employment; provide tailored training to service-disabled veterans regarding business plan development, marketing, budgeting, accounting, and merchandising; and assist veteran-owned small businesses locate and secure business opportunities.

For each of these three grants, the SBA can award a Center up to \$75,000. There is authorized \$1.5 million for each of fiscal years 2010 and 2011 for each of the three grant programs.

Finally, the SBA is authorized to carryout an event once every two years for the purpose of providing outreach, networking opportunities, education, training, and support to Veterans Business Centers funded through this Act, veterans service organizations, veteran-owned small businesses, and other entities as determined by the Administrator. \$450,000 is authorized to carryout this section in fiscal year 2010.

### **Section 3. National Veterans Task Force**

Require report to Congress semi-annually on appointments made to, progress, and actions items regarding the Task Force established under section 32(c) of the Small Business Act.